

Settlement Date and Time:
August 23, 2001
5:00 p.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - x Chapter 11

In re : Case No.01-13591 (REG)

H.C. ENTERTAINMENT CORP., :

Debtor. :

- - - - - x

**NOTICE OF SETTLEMENT OF ORDER
DENYING DEBTOR'S AMENDED APPLICATION PURSUANT
TO 11 U.S.C. §363 TO ENTER INTO RESPONSIBLE PERSON
AGREEMENT AND TO EXTEND THE DEBTOR'S TIME,
PURSUANT TO 11 U.S.C. §365(d)(4), TO ASSUME
OR REJECT ITS NONRESIDENTIAL REAL PROPERTY LEASE
WITH WATERFRONT N.Y., L.P. IN CONNECTION THEREWITH**

PLEASE TAKE NOTICE that an Order denying the amended application of the debtor and debtor in possession herein (the "Debtor") to enter into a Responsible Person Agreement, pursuant to 11 U.S.C. §363, with the SL Group and extending the Debtor's time, pursuant to 11 U.S.C. §365(d)(4), to assume or reject its nonresidential real property lease dated May 22, 1992 (as amended from time to time, the "Lease") with Waterfront N.Y., L.P. ("Waterfront") in connection therewith, a true copy of which is annexed hereto, will be presented for settlement and signature to the Honorable Robert E. Gerber, United States Bankruptcy Judge, at the United States Bankruptcy Court, The Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004 (the "Bankruptcy Court"), on August 23, 2001, at 5:00 p.m.

PLEASE TAKE FURTHER NOTICE that proposed counter-orders, if any, shall be submitted to the Bankruptcy Court and served on the undersigned so as to be received no later than 5:00 p.m. on August 22, 2001.

Dated: New York, New York
August 21, 2001

**LeBOEUF, LAMB, GREENE &
MacRAE, L.L.P.**

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